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Background

The effort to replace USDA's Central Accounting System (CAS) with the Foundation Financial Information System (FFIS) can be traced to the Chief Financial Officers (CFO) Act of 1990. This law was enacted to improve the financial management of the Federal Government. This Act established CFO's for Federal agencies, including USDA. Our CFO was responsible for developing the Financial Information System Vision and Strategy (FISVIS) for USDA in 1993. The vision is to create a single integrated financial information system for USDA. The key strategy for achieving that vision is to replace the CAS with commercial off-the-shelf software.

Procurement of Accounting Software

In December 1994, the Department contracted with American Management Systems, Inc. (AMS) to install their Foundation Financial System at NFC. This is a commercial software package as opposed to the Central Accounting System (CAS) which was programmed by USDA's National Finance Office (NFC). USDA calls this new accounting system FFIS, Foundation Financial Information System. Because APHIS has been a user and supporter of NFC systems and FISVIS, the Office of the Chief Financial Officer (OCFO) asked APHIS to be one of the first five agencies to convert to the new accounting system. The other original pilot agencies include Forest Service, Food and Consumer Service, OCFO, and Agricultural Research Service. **We plan to convert to the new system in October 1998 (FY 1999)**.

Procurement of Accounting Software (Continued)

During the 4th quarter of FY98, BAD will provide procedures and training to APHIS offices on FFIS.

The remainder of the chapter gives an overview of FFIS for those who are interested in how the new accounting system will operate.

What Is FFIS?

FFIS is a fully integrated financial package that is designed to meet stringent budget and funds control needs as well as complex multi-fund accounting and reporting needs.

FFIS integrates a wide range of accounting-related functions to support a comprehensive financial system. In performing these functions, users access a series of document entry screens and related table screens. Documents are the means by which financial transactions are recorded in the system. Tables are sequential lists of either reference codes or processed document data.

APHIS FFIS Implementation

The Department intends to integrate a few of the NFC systems, such as the CAS, Central Accounting Data Inquiry (CADI), Miscellaneous Payment System (MISC), Plan System, and MASC into FFIS. This means that these subsystems will cease to exist as we know them, but will become part of FFIS.

The remaining NFC systems will be operated the same way they presently are. Consequently, FSO systems such as PARIS (Personnel Action Request Information System) and PRESTO (Procurement Request Electronic Status and Tracking Operation) (part of DISCUSS) which interface with these NFC feeder systems would continue operating as they do today. NFC will modify these feeder systems so that the data generated in the feeder systems will go into FFIS instead of the NFC's Central Accounting System.

Major Differences Between CAS and FFIS

The following summarizes the major differences between FFIS and the CAS:

Major Differences Between CAS and FFIS (Continued)

Accounting Code:

♦ The accounting code in FFIS (referred to as the ACCS) is more than 10 digits, but it is not a single string of digits. The ACCS is made up of several components or fields of data, such as the fiscal year, fund, division, organization, and program.

♦ APHIS decided to keep the current 10-digit accounting code to code documents that are put into the feeder systems at NFC (i.e., T&A's, travel vouchers, purchase orders, etc.).

♦ NFC has developed an accounting code cross-walk table (ACXT), which will translate APHIS' 10-digit accounting code to the correct ACCS.

♦ FSO has tentatively agreed that the field can also code the 10-digit accounting codes on documents they send to FSO that currently go through MISC (i.e., SF-1164's, Employee Expense Voucher; AD-757's, Miscellaneous Payment System; etc.) FSO will use the ACXT to translate the 10-digit accounting code to the proper ACCS before they enter that transaction into FFIS.

It is difficult to say that the 10-digit accounting code translates to a specific length ACCS in FFIS. For example, accounting code 852-8501-220 equals:

BFY	FUND	DVSN	ORGN	PGMT
98	3452	348	8501	220

However, depending on the type of inquiry you do or the type of document you enter, you may not need to enter all of the above fields. Most accounting codes will translate very intuitively to the ACCS. The exceptions are the ACCS' related to agreements.

Major Differences Between CAS and FFIS (Continued)

Agreements:

♦   APHIS will need to enter more information about agreements into the accounting system. FFIS allows us to tie the initial obligation of a cooperative agreement to subsequent payments.

♦   Agreements must be set up in FFIS before spending can occur against an agreement, or in the case of cooperative agreements, before APHIS makes payments on an agreement.

♦   FSO has agreed to enter agreement data into the proper FFIS tables to set up agreements.

♦   We will need assistance from the Units in gathering information about all APHIS agreements. We are using the information in the Agreement Tracking System as a starting point.

♦   The ACCS for agreements will include additional elements such as a job code. For example, accounting code 859-8404-190 equals:

BYF   98
FUND   3459
DVSN   348
ORGN   8404
PGMT   190
JOB#   1234 (last 4 digits of agreement number)

Vendor Information:

♦   FFIS contains a common vendor table. All vendors who do business with APHIS must be set up on VEND before payments can be made or bills issued.

Major Differences Between CAS and FFIS (Continued)

♦ Each vendor is identified by a unique vendor code. The Department has determined that the vendor code will be the TIN (Tax Identification Number), EIN (Employer Identification Number), ALC (Agency Location Code), or SSN (Social Security Number).

♦ The Debt Collection Improvement Act of 1996 requires federal agencies to collect TIN's for all vendors we issue payments to by October 1, 1997.

Document Identification Number:

♦ All transactions in FFIS have a unique document identification number (DOCID), composed of three parts:

   ♦ Transaction code,

   ♦ Security Group Code, and

   ♦ Document Number (up to 11 digits, alpha-numeric).

♦ FFIS uses the document ID to store transaction records for inquiry, modification, and audit trail purposes.

Plans:

♦ We will enter operating plans directly into FFIS; we will no longer support the Financial Plan Information System (FIPS) and NFC will no longer enter plans from the AD-703, Operating Plan.

Online Data Inquiry:

♦ FFIS is a table-driven system; there are close to 500 tables and documents in FFIS. However, an average user shouldn't need to know more than 10-30 tables and/or documents.

♦ Users will have to know the ACCS structure for their accounting codes in order to do online inquiry in FFIS. Training will be provided.

Major Differences Between CAS and FFIS (Continued)

Reports:

♦ Accounting reports will be prepared from accounting data which will be stored in a "data warehouse" maintained at NFC.

♦ Reports and reporting tools will probably have a new look. We are working with the Department to get the same level of detail we currently get.

♦ Where possible, we are structuring the data on the reports to closely resemble the current reports; however, the ACCS components will appear on the reports, not the 10-digit accounting code.

This chapter provides an overview of how APHIS will use FFIS functions to meet its specific requirements.

Budget Execution in FFIS

APHIS will use the FFIS Budget Execution module to establish unique budget structures for individual appropriations, automatically check available funds to prohibit overspending, adjust budget ceilings throughout the year, and view the current status of funds. This section identifies how APHIS will establish budgetary levels in FFIS.

Except for certain reimbursable funds, e.g., X73 or X83, APHIS requires that, at a minimum, budgets be established down to the sub-allotment level. Each unit will have the option to budget to a lower level, if desired.

Agency Terms	FFIS Budget Level	FFIS Budget Dimensions
Department, Agency	Appropriation/Apportionment	BFY, FUND
Department, Agency, Unit	Allocation	BFY, FUND, DIV
Department, Agency, Unit, Division/Region/Lab	Allotment	BFY, FUND, DIV, ORGN (Level 1)
Department, Agency, Unit, Division/Region/Lab, Branch/Area/State, Program	Sub-allotment 1	BFY, FUND, DIV, ORGN (Level 1), PGM

Agency Terms	FFIS Budget Level	FFIS Budget Dimensions
Department, Agency, Unit Division/Region/Lab, Branch/Area/State, Program	Sub-allotment 2	BFY, FUND, DIV, ORGN (Level 2), PGM

The following table illustrates a sample budget structure to be established by APHIS.

FFIS Budget Level	BFY	FUND	DVSN	ORGN	PGM	REF. ORGN
Appropriation/ Apportionment	98	3452				
Allocation	98	3452	348			
Allotment	98	3452	348	8400		
Sub-allotment 1	98	3452	348	8411	330	8400
Sub-allotment 2	98	3452	348	8406	330	8411

Budget Execution in FFIS (Continued)

The organization codes included at the allotment and sub-allotment levels of this sample budget for APHIS refer to different organizational levels within the Agency and unit 8. For example, at the allotment level organization code 8400 is a regional level account for region 4, unit 8, which is the Plant Protection and Quarantine unit (PPQ). Organization code 8411 at the first sub-allotment level represents a State-level account for State 11, region 4, unit 8. Organization code 8406 at the second sub-allotment level represents work unit 6 under State 11, region 4, unit 8. The reference organization is used at each suballotment level to identify the organization code of the parent allotment.

Planning in FFIS

The Planning module records financial goals and expectations for the current and future years, and records actuals against these goals for the current year. Operating plans will be established in FFIS to capture actual spending data at a lower level of detail than in the Budget Execution module. Each fund holder will develop financial operating plans based on his/her total allocation.

Planning in FFIS (Continued)

Field level operating plans would be prepared by regional budget personnel and forwarded to the field fundholder for final approval. APHIS will use this data along with the Status of Funds process to project annual expenses.

Each unit will be required to establish two annual plans for each fund code: one plan for total spending (including non-recurring expenditures) by major object class, and one plan for non-recurring expenditures only. The plan for total spending will capture spending amounts at the major object class level; the plan for non-recurring expenditures will capture spending at the individual object code level. Each unit will have the option to develop additional plans, as desired.

Project Cost Accounting Subsystem (PCAS)

PCAS is used to track project costs, identify project costs with customer agreements, and distribute project costs to customers. A customer is any vendor, office within an agency, or an agency that provides funding for a project. A project is an entity that collects costs for items or services that APHIS provides to its customers.

For example, a project could be providing the employee resources to conduct bird control on ships and vessels or cooperating with a state government in a disease eradication program. Each project has at least one subproject which collects spending information about the costs collected for a project. The spending information is collected when you enter the subproject code on a spending document. These costs are then "rolled up" to the project.

APHIS will use PCAS to track costs associated with reimbursable and non-reimbursable projects. Projects will be established:

♦ To collect costs which will be billed to customers under a reimbursable agreement, and

♦ For agreements where APHIS is the customer, to track payments against the agreement.

Project Cost Accounting Subsystem (PCAS) (Continued)

The FFIS uses elements of the accounting classification code structure (ACCS) to identify the project code. Project codes must contain at least the job number element of the ACCS . APHIS will code projects based on the type of fund. For reimbursable funds, APHIS uses the BFY (Budget Fiscal Year), Fund, DVSN (Division), ORGN (Organization), and a job number; for non-reimbursable funds, BFY, Fund, and job number. The job number may be derived from a combination of the organization and agreement number, or the contract number.

Spending in FFIS

The FFIS Spending Module is used to combine the purchasing and accounts payable transactions to record, monitor, and control all activities for procuring and acquiring goods and/or services. Agencies may record commitments, obligations, receipts, and payments for all types of procurements, e.g., purchase orders, contracts, and miscellaneous purchases. Each spending amount may be validated against the available funds within the agency's established budget, thereby, affording the user immediate online access to the actual accounting and budgetary impact of the spending transaction.

APHIS will use FFIS to record two categories of spending or purchases: those which are obligated prior to payment (e.g., agreements and contracts) and those which are not obligated at the time of payment (e.g., fee basis payments and indemnity claims).

Disbursements in FFIS

The FFIS disbursement process records, monitors, and controls all activities associated with the disbursement of funds. These activities include generating General Ledger entries, disbursing funds by printing checks or generating Treasury disbursement types, and reconciling all disbursements with Treasury's records.

All APHIS payments will be executed by NFC personnel, and many of the system options related to disbursements will be defined and controlled by the Department.

Accounts Receivable and Billing and Collecting in FFIS

The FFIS Accounts Receivable module will be used to support APHIS' billing and collection needs. The Accounts Receivable module records and tracks the collection of funds, bills customers for items and services, applies overdue charges to past due receivables, and selects receivables for write-off or referral to collection agencies.

The FFIS Accounts Receivable module automatically generates hard copy bills through an offline process. The billing process selects billing documents for which to print hard copy bills based on user-defined options.

APHIS' collections fall into two categories: collections which are primarily billed, and collections which are primarily unbilled.

The FFIS General Ledger

The FFIS General Ledger is used to store all FFIS budget and financial transactions and maintain an accounting audit trail. A common posting process is established to automatically post transactions to the General Ledger and journals. Reports produced through the General Ledger are in compliance with the U.S. Standard General Ledger (SGL).

The Departmentwide SGL posting models will be used as the basis for developing the FFIS General Ledger models for APHIS. APHIS is working with the Department to complete the following tasks:

♦ Identify Departmentwide FFIS General Ledger models to be used by APHIS;

♦ Assign Transaction Code (TC)/Transactions Type (TT) combinations;

♦ Assign accounting entry ID's;

♦ Load the APHIS specific General Ledger models into the FFIS Common General Ledger tables; and,

The FFIS General Ledger (Continued)

♦ Work with the Department Standards Team to evaluate the TC/TT combination posting models defined for APHIS in the context of the Department-wide Posting Models during the quality assurance testing process.

FFIS Reports

APHIS will use the common reports, the FFIS baseline reports, online inquires, Agency-specific reports, and ad-hoc reports and queries to meet internal reporting requirements.

The baseline FFIS software provides financial information through baseline reports and online inquiries. The results of all transactions entered into FFIS are available for online query as soon as they are accepted. Each type of transaction updates an appropriate set of online tables that show, for example, account balances, the status of a purchase order, or the status of a billing document.

All information in FFIS is also available in the form of reports, generated on demand, overnight, weekly, monthly, or annually. FFIS contains approximately 85 baseline reports. These reports collect summary and detail data for each of the major functions performed by FFIS (e.g., budget execution, purchasing, accounts receivable, etc.).

APHIS is creating an Agency-specific reporting database that would be defined based on the level of detail required for internal reporting.

Ad-hoc reports are mainframe-based, pre-written reports that will be requested on an as-needed basis from selection menus. Ad-hoc queries are reports that are created and executed dynamically on an as-needed basis. They can either be created by actually writing code or by using query building menus.